
How I Became a Capitalist: The Lookout Records Story, Part One

by Larry Livermore

Written July 1994.

Published in *Lookout* magazine #39 (Summer 1994).

What was supposed to go in this space was a dead serious article about the origins and nature of material wealth, specifically, how things become valuable, how they're distributed, and whether it's possible for everyone to become rich.

But while I'll still probably finish that article some day, my heart just wasn't in it at the moment, and instead I found myself writing this thing, which is an account of the origins of my own wealth — relatively speaking, of course; I just checked the Fortune list of the world's richest people and I still wasn't on it. But a considerable transformation has occurred in my finances since the time I started publishing this magazine almost ten years ago, and here is the true, unexpurgated story of how I went from there to here.

Anybody planning on using my experience as a blueprint for their own success should be aware that I didn't plan for things to turn out this way; it just sort of happened. And more importantly, there are far more meaningful ways to measure success; as you'll see at the story's end, there's some question as to whether I'm really better off at all, regardless of the increased size of my bank balance or the increased influence I've gained over the direction of modern pop culture. Anyway, here's how it all happened:

The summer and fall of 1984 were an increasingly bleak time for me, made worse by the fact that I had only the vaguest idea that things were going terribly wrong. The relationship I'd been in for nearly four years was coming undone in painful and ugly ways, and simultaneously, my finances were plummeting rapidly toward zero. My dulled senses interpreted all this as little more than a disquieting unease, something I thought might be cured by, oh, say a new hobby.

Like starting a magazine, for example. I'd always liked writing, and had never been short of opinions to blather on about. I even had a bit of history in the self-publishing field, having started my own satirical newspaper back in seventh grade, and demonstrated my devotion, in those pre-xerox days, by printing the entire thing by hand, with several carbon copies. It was a wild success among the students and a source of much consternation among the school authorities. Though I hardly realized it at the time, a pattern had been set.

I'd also written for several underground newspapers in the 1960s, at one time earning the munificent rate of 25¢ per column inch from the Berkeley Barb, which, combined with the income from selling copies of the newspaper on street corners and free meals in Provo Park, very nearly supported me. But once the first wave of the underground press faded away, I was left without an outlet for my writing, and besides, for a while there I had grown a bit too lazy to be bothered with having opinions.

But in 1984 my long-dormant outrage began sputtering to the surface again. A psychologist might make the case that my fulminations against Reagan, the Contras, the Campaign Against Marijuana Planting, corporate timber's rape of the North Coast, and the petty corruption and short-sighted pig-headedness of local politicians and residents alike were at least in

part motivated by frustration at how my own life was going awry, but all I knew was that I was in a bad mood and that things had better change, the sooner the better.

Thus began *Lookout* magazine. Issue #1, which appeared in October 1984, consisted of four one-sided xeroxed sheets. The text was typed on my old Smith-Corona in two columns, not that drastically different from the format you see today, although the print was considerably larger. I hadn't yet mastered the concept of photo reductions, let alone computer typesetting, which in a way made it easier for me, since on a typewriter I could fill up a whole page in a matter of about twenty minutes. Also, I wasn't that concerned with a polished rhetorical style or niceties like subtlety or taste. Of far greater importance was to outrage, infuriate, or at the very least, gain the attention of my readers.

Issue #1 was "printed" at the local feed store, the only place I knew of that had a reasonably priced xerox machine. The total press run was 50, of which I did 10 at a time, collating them by stacking the finished pages on 10 separate bags of manure. A fitting beginning, many critics of my journalistic efforts would later opine.

If I had been seeking controversy, it could be said that I had mined a rich vein. Within a few days after the appearance of the first *Lookout*, outrage of varying stripes was rippling up and down the mountains where I lived, and through the hangouts and gathering places of nearby Laytonville. Finally something had come along to unite the hippies and rednecks: their universal hatred of moi.

I had anticipated the ire of the local power brokers and their unwashed sycophants; what surprised, even shocked me, was the malice directed at me by the hippies and pot growers, whose interests I largely supported. Eventually a delegation of them

marched down my driveway, with one of them even threatening to burn my house down if I persisted in publishing the *Lookout*.

By this time I had grown fond of being an editor, and I was reluctant to give up on my fledgling magazine, whose press run had already increased to 150 (largely because some of the local hippies had taken to destroying any copies they found) after only three issues. Although I'd started out by writing mostly about extremely local topics like the quality of that year's pot harvest and which landowners might be getting ready to sell off their trees to the rape-and-ruin mills, I was flexible enough to not want my house to get burned down, so I started casting around for other subjects to write about.

I had a lot of time on my hands anyway, because my girlfriend had finally got around to leaving me, right about the same time I ran out of money. Oh, I wasn't dead broke or anything, just broke enough to keep me from doing most of the things normal people do to get themselves in trouble. In other words I couldn't afford drugs or liquor or gambling or loose women (well, I did meet one of the latter about that time, who wouldn't have cost me anything but self-esteem, but I was coming up short in that department as well...), and publishing the *Lookout* was cheap by comparison with those other vices.

Anyway, I managed to placate the local hooligans by shifting my focus farther afield, to county-wide and national politics, for example, and, beginning with issue #4, by writing more and more about punk rock. I had been involved in the punk scene before, dating back to 1977, but as it turned more violent and drug-ridden in the early '80s, I lost interest. Moving to the mountains in 1982 was meant in part to be my final rejection of urban punk culture.

That didn't stop me from trying to have a punk band, which in the grand tradition of most punk bands, went nowhere for

years. But in 1984 and even more in 1985 my interest in the Bay Area scene began to be rekindled, in large part because of the Maximum Rocknroll radio program. Every Tuesday night I'd drive up to the top of the ridge, elevation 4000 feet, the only place where you could pick up KPFA, which broadcast from Berkeley.

The smart-ass, street-corner tough guy attitude that I heard in the voice of Tim Yohannan and his fellow maxi-rockers, coupled with the intense energy of the music they played, gave me ideas about where my own life could or should be headed. My own band had suffered a severe setback when my girlfriend, who'd been the drummer, moved away. Luckily she had left behind a set of drums, and I started casting about for someone to play them.

The mountain was full of musicians, but most of them thought I was insane. At any rate, I was looking for someone not burdened by preconceptions of what music should sound like. I finally asked the boy next door (next door in my case being a mile down the road), who'd never played drums in his life, but was very energetic and a natural showoff. He was 12 years old, and learned fast — well, fast enough to keep my with my own limited abilities anyway. His first name was Tre, and I thought it would be funny to call him Tre Cool. A few years later he went on to play with Green Day, and just earned his first gold record.

Our bass player, another local boy, had been equally inexperienced when he joined the band. I'd picked him for the simple reason that he looked like a bass player. We practiced through the spring, our amps powered by photovoltaic panels (it was miles to the nearest PG&E pole), and by summer had played a few mostly disastrous shows. In the fall we went to Hal Wage-

net's home studio in Willits to record a 26 song demo tape (no sense in doing things halfway, we figured).

Wagenet, who had his own gold record on the wall from his days with the hippie band *It's A Beautiful Day*, didn't know what to make of us. To put it mildly, I don't think he had a great deal of respect for our music. Nor was he interested in our opinions about how it should sound; he was the recording engineer from hell that you often hear punk bands complaining about: still mired in the esthetics and technology of the 1970s. The one thing I've never been able to forgive him is that he recorded a number of songs without bothering to tell us that we were out of tune. "I thought you wanted it that way," was his explanation later on. Since then I've worked with perhaps a couple dozen engineers and producers and never encountered that attitude again.

By the end of 1985 the *Lookout's* circulation had climbed to 600 or so, with many of my new readers coming from outside of Mendocino County, thanks largely to favorable mentions in Alexander Cockburn's column in *The Nation* as well as in *Maximum Rocknroll*. Perhaps ironically, considering its stridently leftist character, it was the Cockburn column that caused me to take my first overt step toward capitalism: so many people wrote in requesting to see an issue or wishing to subscribe that I could no longer afford to send copies out for free as I had been doing. So while *Lookout* continued to be free in the immediate area, I started charging for mail orders, with the idea that the profit I made on them could help subsidize the free copies I distributed in the Emerald Triangle. Shortly thereafter I started selling copies of our band's demo tape with an accompanying lyric booklet.

That winter I took another important step: for the first time in four years, I started living part of the time in the Bay Area. A friend went away for several months and let me sublet her room,

and I had a chance to rediscover San Francisco. I found it very changed, and not much to my liking. As soon as the weather started getting warmer, I began spending more time on the mountain again, but for the next couple of years I usually had a room in San Francisco that I could go to when I wanted. I also found myself getting more involved in the Bay Area punk scene, first in attending shows, and then helping to put them on.

Part of this was sparked by self-interest. Our own band, the Lookouts, were by now ready for prime time, we reckoned. Although we gained little but contempt and even physical abuse in Mendocino County (a back issue of *Lookout* contains an amusing account of my black eye at the paws of Piano Jimmy, a righteous defender of the blues-based '70s rock faith), we began to find people in the Bay Area who genuinely enjoyed us.

One thing lacking was a consistent place to play. The downward trend of early '80s punk had resulted in the closing of many of the traditional venues. So even though punk was by then ten years old, the small group of musicians and fans we found ourselves associated with often found it necessary to virtually re-invent the scene.

One good place for shows was a tiny room down on Third and Twenty-Second Streets near Hunter's Point in San Francisco. It was in such an obscure and not especially desirable part of the city that the cops seldom bothered about it and we could pretty much carry on as we wanted. The maximum capacity was about 100, though there were few shows that drew that many.

But to me the real historical turning point was a show in May of 1986 at Owen's Pizza Parlor on Adeline in South Berkeley. It featured five then unknown bands: No Means No, Victim's Family, Mr. T Experience, The Lookouts, and Complete Disorder. About 150 people showed up, the evening went off with barely a hitch, but most importantly, there was a feeling of

community beginning to re-emerge. Some of the same people involved with the Own's Pizza shows went on later that year to help get Gilman Street off the ground.

The fact that Gilman Street is still going strong seven and a half years after it opened, despite hewing closely to the utopian and seemingly quixotic philosophy of remaining completely nonprofit and volunteer-run, might seem remarkable to those who weren't a part of it. But few enterprises have been so carefully thought about and debated and planned long before they even opened their doors. For six sometimes exasperating months, there were general meetings and committee and sub-committee meetings, and at times there was a feeling that everyone would die of exhaustion before a show could ever be put on.

But finally, on New Year's Eve of 1986-87, the first official Gilman Street show took place, and although that night's lineup was nothing special and the turnout kind of lackluster and most people seemed too stressed over whether things would work out to really enjoy it, the East Bay punk scene was now well and fully on its way. But even someone as given to reflection as I am couldn't have imagined the full effect it would have on my life and that of so many others who stood or sat around that first night visibly wondering if they were having fun yet.

The Lookouts played several times those first few months that Gilman Street was open, and at the same time we were in the process of making a record. It was kind of a dumb idea — not so much making a record, but rushing into it as fast as we did. Because we were doing it all ourselves, we had no one such as a manager or a record label executive to tell us, "Hey, you guys suck, why don't you go practice for another year?" In a sense we were making a record not so much because we were ready, but because we could. I applied the same principles to re-

cord making as I did to magazine publishing, learning in the process that they were not always the same thing.

A few weeks after the record came out, I went away for three months. Not, as you might suspect, out of shame, though if you've heard the record in question I wouldn't blame you for thinking so, but because for the first time in years I had enough money to be able to travel somewhere. It hadn't occurred to me that when you've just put out your first album, you might want to stick around and try to promote it or even sell a few copies. I guess I figured when I got back all the records would have sold themselves, and mobs of fans would be waiting to greet me at the airport.

It didn't happen quite that way, but neither did we lose enough money to permanently discourage me from making records. I swore off it for a while, but while I was away, the Gilman Street scene had spawned dozens of new bands, and an energy and enthusiasm that I hadn't seen since the '60s. Those first few months, the undisputed kings of the heap were Isocracy, who, all still in high school at the time, originally got attention for their practice of bringing huge amounts of garbage to shows and dumping it on the audience. Although some said that their music followed similar principles, they gradually learned to play their instruments, the only difference being that while most bands did so in the garage or basement, these guys did it on stage in front of hundreds of fans.

All four members of Isocracy went on to be in other bands that became better known, one to Green Day, two to Samiam, and one to Filth, but at that time no one was thinking of the future; Gilman Street had its own little superstars. While I was away, another new band had burst out of what seemed to be nowhere, though in reality the bassist and guitarist had been playing together for years in various bands. This new group was

called Operation Ivy, which, ironically, had been the original name of Isocracy. Although he's never carried through on it, Isocracy drummer Al Sobrante has a number of times threatened to advertise one of his own musical projects as "featuring original members of Operation Ivy."

I'd been an Isocracy fan ever since the aforementioned Mr. Sobrante, still a remarkably soft-spoken (remarkable in terms of the, how shall we say, forceful way he came to express himself in later years) eleventh grader, called me up to ask my advice about how to get shows for his punk band. I told him to come down to the Lookouts' next show at the Club Foot and that we would share our set with them. If memory serves me right, they came on BART, carrying what instruments they could, and once they got on stage were petrified with fear. At any moment I thought Jason Beeboubt, their singer, was going to duck for cover behind a bass amp.

I also became an instant fan of Operation Ivy, as did almost everyone else who saw them (though for a few hardcore punks, Op Ivy were already committing the cardinal sin of becoming "popular"). By the fall of 1987, the record-making bug had bitten me again, and I started talking to Isocracy and Operation Ivy about recording them. Simultaneously, a friend and fellow resident of the infamous San Francisco Rathouse, David Hayes, told me that he wanted to put out a 7" EP of Corrupted Morals, another of the bands who'd been playing regularly at Gilman.

David, a major bicycle enthusiast, was planning to call his record label Sprocket Records, and I had already decided on Lookout Records. (In case you're wondering where the whole "Lookout" theme comes from, it originated with the fire lookout tower that sits atop Iron Peak, the highest mountain in my Mendocino neighborhood.) When I proposed to David that we pool our efforts for greater effectiveness, it was also agreed that

we should settle on one name for our combined label, and it turned out to be Lookout, owing primarily to the fact that the name “Lookout” already had a certain visibility. It was to prove to be one of several fateful decisions.

David oversaw most of the actual recording sessions, and also did much of the original artwork and the design for the now-famous smiley Lookout Records logo. I did more of the chores associated with being a hard-nosed businessman, including the all-important one of annoying people. One of the things that made it possible for us to start the label was my knack for scamming: in the course of printing Lookout magazine, I’d found a copy shop where the manager was charging me next to nothing simply because he thought it was so funny. So we started doing record covers there, too, rarely paying more than a penny apiece, and often nothing at all.

The day the records went on sale, we were still folding covers and stuffing them at the back tables at Gilman. We were surrounded by a mob of people buying them as fast as we could put them into plastic bags. It was an exhilarating feeling, but still we knew that we couldn’t expect to sell more than a few hundred that way, and we had ordered 1000 copies of each of four records (I hate to say that Crimpshrine was added as an afterthought, but in a way they were; they already had a tape recorded, it was quite good, and it was a simple matter to press it into a record as well). Pretty much all the money I had was tied up in 7" records, and if we didn’t make at least a good part of it back, I might have to do something really drastic like... oh, like get a job or something.

Many bands and would-be independent labels have learned to their dismay that it’s the easiest thing in the world to make a record; all it takes is a moderate amount of cash coupled with the willingness to make a fool of yourself. Because, as it hap-

pens, the real trick is not recording and manufacturing records, it's getting them into stores where people might buy them.

At the very beginning, I went to see Ruth Schwartz of Mordam Records, which was far and away the most honest and effective independent distributor, but she wasn't prepared to take a chance on our largely unknown bands and our seemingly (not just seemingly!) haphazard way of doing business. So David and I took to making the rounds of stores and calling up distributors like Caroline (who at that time were still independently owned, but enjoyed at best a sketchy reputation). Some stores were very helpful and honest; others, like Reckless on Haight Street in San Francisco, blatantly ripped us off and did everything but laugh at us when we attempted to get paid for the records of ours that they'd sold.

And the same was true of distributors: Systematic, considered a truly punk outfit, went out of business owing everyone, including us, money. Rough Trade sat on our records for months or years and returned them unsold. Caroline, on the other hand, sold all of the records we'd sent them, paid for them immediately, and ordered a whole bunch more. Meanwhile, mail orders were flooding in. Something about the bands, or the label, or the attitude of clever irreverence expressed in David's ads, had struck a chord with a lot of kids across the country.

"Kids" is the operative word here, too. Most of the older punk rockers (and by older I mean edging into their 20s) didn't take us at all seriously. Our bands were "Gilman geeks," a bunch of nerdy suburban kids who didn't understand that to be truly punk you had to dress in black and scowl a lot. Our bands actually had fun on stage, even were able to make fun of themselves. And everywhere, it seemed, there were other geeky, nerdy, 14 and 16 year-olds who identified with that kind of energy.

It was only a few months later that I got a message, via *Maximum Rocknroll's* Tim Yohannan, that Ruth from Mordam had changed her mind, that she would be interested in distributing our records after all. Although there were to be other major turning points in the future, that was probably the single biggest one. Within a week or two, all the records we had delivered to Mordam were gone and they were asking us for more. Even more important, Mordam paid us, like clockwork, for everything of ours that they sold, and in those beginning months, even advanced us money to help keep things in print. At the end of that first year, we'd sold \$38,000 worth of records, which seemed like an awful lot, considering that it was about twice as much as anybody we knew earned in a year.

Already we'd made some new records, including an album by Stikky, and EPs by Plaid Retina, Sewer Trout, and the Yeastie Girlz. They did all right, especially the Yeastie Girlz, but the next major turning point had really come one night when we were sitting on the sidewalk in front of Hey Juan Burritos in Arcata, CA (a whole bunch of us were there for a show that night, featuring Isocracy).

David and I were talking with the members of Operation Ivy, and the subject of doing another record came up. We were thinking about another 7" EP, but the band said quite firmly that they wanted to do an album. It seemed kind of premature — at the time they hadn't even been together a year — but they were so sure of themselves that we more or less just said okay. It was to turn into a tortuous year-long project, complete with a few damaged egos and broken hearts, but that album, as much as any single factor, was to be the making of Lookout Records as people know it today.

Did we have any idea that it would go on to sell nearly 100,000 copies? Not hardly. Sure, I'd like to brag that I could

see it all coming, but while I knew that Operation Ivy was something unique and very special, 100,000 records was something quite beyond my comprehension.

But that was all in the future; in point of fact, the Operation Ivy album wasn't released until May of 1989, and the band broke up before it came out; what had been planned as the record release party turned out to be the last Operation Ivy show, a massive, almost scary double capacity crowd at Gilman Street that someone (maybe me) described as feeling like a New York City subway car at rush hour. Another thing it reminded me of was Woodstock: all these people that you didn't recognize yet felt some sort of kinship with, and all with the same glazed expression on their faces, one that seemed to say, "Where the hell did all these people come from?"

Your most popular band breaking up on the eve of its album release might be a bad sign, but the East Bay had not quite run out of talent yet. One of the opening bands at the last Operation Ivy show was a still relatively unknown band called Green Day. They consisted of two 16 year olds from the far East Bay suburbs, and Al Sobrante, from the now-broken-up Isocracy. I'd first seen them the previous winter, when they'd driven over 150 miles into the mountains to play a fiasco of a show — a party, actually — that had been organized by the Lookouts' drummer, Tre Cool.

Because the weather was so lousy and the party so far from town, almost nobody, not even the people whose house the party was supposed to be at, bothered to show up. We had to more or less break into the house and fire up a generator before the band could play. But play they did; for an audience of five, three of whom had to leave before the show was over because it was a school night, Green Day played their hearts out. Right then I knew I wanted to make a record with them. And since, a

couple years later, Tre would replace Al Sobrante when he left to go to college, what seemed to be an utter failure of a party resulted in Green Day getting their first record and their second drummer.

The second year we sold more than twice as many records than the year before, and everything seemed to be going along swimmingly. Except for one very important thing: my partner David was growing increasingly unhappy with the direction the label was taking. He felt it was turning into too much of a business, and therefore becoming too much like a job. I could see some validity to what he was saying, but at the same time, I needed a job, and if it wasn't in the record business, it was likely to be something a lot worse. Ironically, at this time I still hadn't ever taken any money for my work with Lookout, because I still had my social security checks, whereas David was regularly taking a percentage of the profits, when there were any. But he wasn't happy about it.

As time went by, he talked more and more frequently about quitting. At one point, he actually did quit, and then agreed to come back, partly to do "The Thing That Ate Floyd," a double LP compilation of mostly Bay Area bands (it had started out as a single LP called "Floyd," but he realized he didn't have the money to do it all himself, and when I pointed out that I was doing a compilation too, and that we might as well work together, it became "The Thing That Ate Floyd" and the partnership was preserved for another year).

But by the summer and fall of 1989 nothing could persuade David to stay. He wanted to have his own label, specializing in more diverse and obscure styles of punk rock; I said, sure, do it, just remain as titular head of Lookout, and help out with the graphics and organization. He was adamant; he wanted to sever all connections. I was scared; I really doubted my ability to run

the whole show myself. There were so many aspects to the label that I had barely any knowledge of. But he wouldn't change his mind, and as of New Year's Day, 1990, he was gone and I was on my own.

One of the scariest aspects of running Lookout by myself was that it would mean giving up my social security benefits and hoping that somehow I would be able to make a living from the record label. I was collecting social security on the basis of being mentally disabled, resulting from a misguided attempt to burn my school down when I'd been younger. While you could make a case for many successful businessmen being completely insane, the government doesn't tend to see it that way, so I figured I had about a year or so I got cut off, meaning that I had a similar amount of time to make a go of Lookout or possibly end up washing dishes or picking up trash on the side of the highway.

I seriously considered closing down Lookout then and there, but something wouldn't let me. It had become too amazing and invigorating of an institution. At the same time, I knew so little about some of the skills needed to run a record label that I went very nearly berserk in an entirely new way. I remember very little of the early part of that year, because I threw myself into my work with such abandon (often fueled by panic) that most important events went whizzing by in a haze.

I put out an astounding number of records that year, how I don't know, and one of them was to have a major long-term effect: the first Green Day album. Another thing that happened that year was that Chris Appelgren, my co-host on a radio show at KMUD in Garberville, had started helping out with some of the menial and not-so-menial work. Still in high school, he couldn't draw very well yet, but that wasn't the sort of thing that ever stood in the way of somebody doing something at Lookout. Now 21, he's still with us and has drawn literally dozens of al-

bum covers, ads, posters, and t-shirt designs; his work is sought after throughout the alternative and music publishing world, and in his spare time he manages much of day-to-day business of the label.

But that was still to come; in spite of the progress Lookout seemed to be making in 1990, I still didn't see how I would ever earn a living from it. By midyear I had reached the doleful conclusion that I still would probably have to get a job. The least objectionable thing I could think of was teaching, and since I had only been two or three semesters away from graduation when I had dropped out of college years earlier, I decided, flying in the face of all common sense, to re-enroll at Berkeley.

Anyone who's ever attended a major university knows it's a full time job, and without my noticing it, Lookout had become one too. Still, it was an exciting feeling to move into town, to actually be able to have a telephone (for the previous year and a half, I'd had only an answering machine located somewhere in San Francisco that I would check every few days for messages; it didn't exactly contribute to the professional image of the company).

Somewhere in there, between the fall of 1990 and the spring of 1992 (when I graduated) was when everything changed. A single room served as both the record company office and my living quarters, so I had some sense that things were growing at a rapid pace. We now had two full-time employees, the second being Patrick Hynes, a UC student, computer genius, and brilliant artist and musician who I'd met at a KALX orientation meeting. Morning after morning Chris and Pat would show up for work to find me sprawled out on the floor after a night of studying or term paper writing. I wondered why I was always tired, until one day I calculated that between school and Lookout, my average work day ranged from 16 to 20 hours.

But as my graduation approached and other students talked worriedly about looking for jobs, it began to dawn on me that I already had one. The final crucial turning point guaranteeing Lookout's success, or the final nail in the coffin of my career as a bum, depending how you look at it, came when, almost as an afterthought, I arranged to rerelease some of our most popular records on CD.

When the company had begun, we did vinyl records only, and then later expanded into cassettes. CDs were still considered a luxury item then, for the likes of Beethoven and the Rolling Stones. There was hardly more than a handful of punk CDs; in fact there was a widespread suspicion of the new technology, and somewhat of a consensus to the effect that CDs themselves weren't "punk."

It's not as though Lookout would have gone out of business if it had stuck to vinyl and cassettes, but it would have remained decidedly underground. But beginning with the Mr. T Experience's first full-length LP for us, we tried releasing the album in CD format as well, and were surprised that before long it was outselling the vinyl version. As more and more stores stopped carrying vinyl altogether, I started trying to convince Green Day and Operation Ivy to reissue their albums on CD. It took a long time, especially in the case of Operation Ivy, who, long after they'd broken up, still insisted on reaching a consensus on any decision involving the band, a condition made all the more difficult by the fact that some members of the band were barely speaking.

When the CDs finally came out in the spring of 1991, I feared I was being reckless by pressing 3,000 copies of each (after all, one album had been out for two years already, and the other for one full year), I soon got an urgent phone call from Mordam telling me that 3,000 wouldn't be nearly enough. The

Operation Ivy LP sold 15,000 copies that year, four times more than the previous years, and Green Day 7,200, more than double the year before. Each year since then, sales of both records have continued to increase. Even now, five years after it came out, Operation Ivy's *Energy* is having its biggest year ever.

By the summer of 1991, though, I was beginning to burn out on the entire enterprise. I was still living in the office, where the phone could and would ring at any hour of the day or night with someone wanting to discuss some abstruse detail of a future recording session or to tell me about their band's brilliant demo tape. Gradually I started letting the answering machine screen many such calls, but that in turn had the effect of cutting me off from friends. Coincidentally, I was noticing an uncomfortable blurring of the line between friend and business associate, and I didn't like that at all.

Still, I managed a few accomplishments I was quite proud of, most notably getting Screeching Weasel onto Lookout. Screeching Weasel had been banging away on the punk scene for several years. They made one so-so record and one truly great one, neither of which was very well distributed, before breaking up. Their leader, Ben Weasel, had grown both bitter and cynical about the viability of being in a punk band or the likelihood of not getting ripped off by unscrupulous record companies. I was able to convince him to give Lookout a chance, and the first result was *My Brain Hurts*, which remains one of my favorite Lookout releases of all, made a significant amount of money for the band, and gave Screeching Weasel a new lease on life that produced four (counting their Ramones tribute on Selfless) more albums and a number of singles.

Later that year Green Day went into the studio to record *Kerplunk*, which came out in January 1992 and sold out its entire initial pressing of 10,000 on the day it was released. Mean-

while, I'd finished all my university course work and had started on my thesis, which tended to absorb most of my attention. Luckily, by now Chris and Pat were reasonably capable of running the whole show on their own (eventually, by, say 1994, they were to know more about it than me).

By the time I'd finished my thesis and startled myself with the fact that, nearly 27 years after I'd first entered a college classroom, I was officially a graduate of the University of California, I was feeling pretty ragged. After a couple weeks of rest, I was back to work toting up many of the figures that I'd tended to overlook for a while. Not that it was my idea of fun, but the US government, in the form of the Internal Revenue Service, was anxiously waiting to hear from me.

I don't want to make it sound as though I were completely shocked, since I'd always had a general idea of how things were going, but seeing the numbers on paper brought it home to me in a way that I hadn't fully grasped before. We were now selling hundreds of thousands of dollars worth of records, and nearly doubling in size every year. Even though everything around us still looked very much the same: shabby office, my bed rolled up in a corner, chaotic, pointless piles of paper and fanzines and demo tapes breeding like rats in the corners, and a general atmosphere of good-natured but irreparable chaos, there was no longer any denying that what we were engaged in was now Big Business.

It wasn't what I'd intended, but it had happened anyway. There was no getting around the fact that I was now a full-blooded capitalist, the same sort of character that I'd spent many of my years railing against. But what to do about it?

One possibility would be just to close down and go back to being poor, or, as a not quite so extreme alternative, to scale things down by lowering prices, giving away lots of money or

records, eliminating CDs and only pressing vinyl, or only putting out records by lousy or unpopular bands. But what would be the point? Going out of business has a certain sort of heroic logic to it, but running a half-assed or marginal business doesn't appeal to me at all.

I think it's necessary to make a distinction here: some people start record labels for the sheer love of the medium itself. The records, the packaging, the whole process of turning music into a tangible object is at least as important to them as the music itself. I could see where people like that could be happy for the rest of their lives just putting out records that more or less paid their own way but not much more. In fact I've known people who willingly work long hours at a menial job to subsidize their hobby of running a small independent label.

But that never had much to do with why I got involved in the record business. To me the true art form was the process of getting the music from the people who created it to the people who needed or wanted to hear it. I didn't care whether it was via 7" vinyl, cassette, CD, or, as it no doubt will be sometime in the future, on a microchip or downloaded over phone lines. The important thing was the dissemination of information and culture through independent channels. It's why I started this magazine, it's why I started the record label, and it will probably be a major factor behind anything else I do in the future.

So I'm remarkably unsentimental about this creature that's grown up at least partially at my behest, this creature called Lookout Records. It's handed me a new set of responsibilities at the same time it's given me a degree of freedom that many people might envy. One freedom I don't feel I have, though, is to walk away from the whole mess.

It's not really a mess anyway. Considering that we're four guys with virtually no business experience and completely lack-

ing the killer instinct that's supposed to be necessary to succeed, and that after only six years we're now dealing with sales in excess of a million dollars a year, that it all happened with minimal hype, very few compromises, and against all odds and maybe even logic, I'd say things are going pretty smoothly. We may be legendary for some of our screwups like misspelling a band's name or the title of their record on 5,000 LP jackets, we may appear to spend disproportionate amounts of time chasing our tails around the tiny bedroom that still serves as our office, but the records keep coming out, our bills get paid, and I think we've earned the respect of most people we've had occasion to work with.

Not to mention the fact that there are now something like a few hundred musicians counting on us to keep their records in print, and in the case of those bands who are making a profit, to make sure that they get paid for their work. Punk rock music has become a viable part of the East Bay economy, with other enterprises like Cinder Block and Punks With Presses deriving a significant part of their income doing work for local record labels and bands. With bands like Green Day and Rancid now bringing national attention to the East Bay, we're liable to see a situation where many people will be partially or fully earning a living from what they once did for fun.

Is this a good thing? I couldn't answer that with a simple yes or no. When the music or art you love becomes your job, undoubtedly something is lost, and yet could anyone seriously argue that it's preferable to earn a living doing what you hate? Perhaps the worst thing is how what was once spontaneous and effortless can become routine and tedious, but the same observation could be made about most aspects of life: marriage, for example.

I'd worry about myself if I thought the success of Lookout Records marked an end in itself. In reality it's almost a byproduct; the point is to do things that you care about and that excite you. That should be sufficient reward, but once in a while it pays off in practical terms as well. What I don't want is to settle into the semi-comfortable niche of being "the Lookout Records dude," or to confuse earning an honest living with living a meaningful life.

The economic and creative freedom that Lookout has given me is valuable only if I put it to use to do still better things. None of them may earn the kind of money or gain the kind of recognition Lookout has, but fortunately I don't have to worry about that.

This whole business came about mainly because I felt I had something to say and couldn't be persuaded to shut up. My own music and writing remain my most important goals, and nowadays more of my work is going in that direction.

But back to business for a minute: one of the satisfactions of and compensations for being a successful capitalist is my ability to speak with greater authority on behalf of socialism. Lookout is employee-owned, and in the case of both musicians and the people who work in the office, profits are divided among the people who earned them, i.e., the workers. When other businesspeople gripe about their taxes going to support welfare or education, I can tell them that I pay plenty of taxes and would be willing to pay more if I could be sure they were going to welfare and education. It was, after all, such programs that helped me to get to where I am, and I'd be awfully greedy and self-centered to deny others the same chance.

I guess if there's a moral to be drawn from all this, it's that people are most likely to end up where they need to be by stubbornly following the dictates of their heart and instincts, even

when they might seem to lead in implausible or irrational directions. Virtually none of what I was doing during most of the past ten years made much sense in itself, and has to be looked at in retrospect to see where it was all leading.

And the final caveat, one I'm sure you've heard before: though I now have more money than I've ever had before, it honestly doesn't make that huge a difference in my life. True, I'm able to travel more, and have more freedom to set my own schedule, but apart from that I live much as I always have. I eat rice and bean burritos most days, drive a car with way more than 100,000 miles on it, walk or take public transportation most places when I'm in the city, when in Berkeley live in a room that's large enough for a bed, desk and not much else, and very rarely go out.

I could afford more now, it's true, but why? I can't come up with any non-clichéd way of saying that money in itself doesn't bring happiness, but that's how it is. Beyond a certain obvious point of having enough to cover your needs, money is not going to make that huge a difference. If you're sacrificing any significant part of your life with the idea that once you're rich everything will be great, stop now; you'll never get the better of that deal.

By the same token, don't be ashamed, as many artists seem to be, to use your talents to make a living. Most of us are lucky to have more than one or two skills that are deemed useful by our fellow human beings. If we throw or give them away and then moan because we're condemned to a life of demeaning, meaningless labor, well, we shouldn't expect much sympathy.

Well, that's the Lookout Records story as of July 1994. Who knows, I may be broke by the next issue and have a whole new tale of woe to recount, but I sort of doubt it. Hopefully you now have a little better understanding of what I've been up to

these past few years. Hopefully I'll have a little better understanding of where I'm going from here.

Edited by Tim Davenport

1000 Flowers Publishing, Corvallis, OR · December 2014 · Non-commercial reproduction permitted.